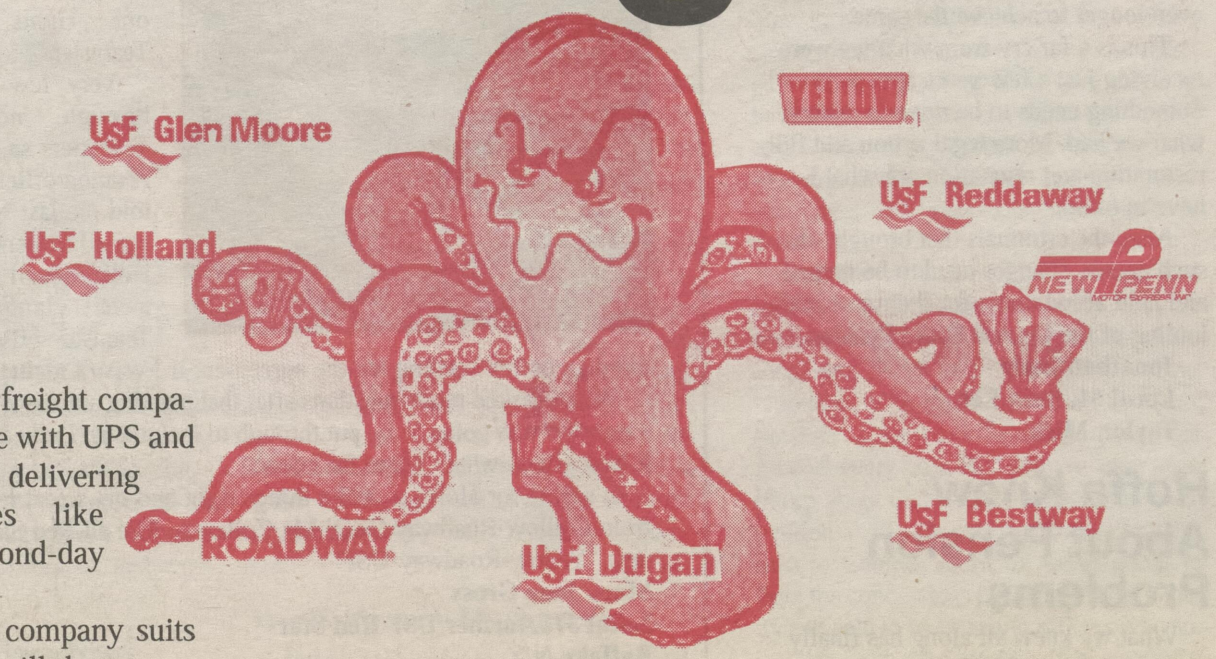
Convoy Dispatch

VOICE OF THE TEAMSTER RANK AND FILE SINCE 1975 — April 2005 # 225

Freight Merger Mania

Will Our Union Meet the Challenge?



YELLOW ROADWAY USF

The majority of freight Teamsters now work for a single corporation—thanks to the latest corporate mega-merger. Yellow-Roadway announced a deal to purchase USF Corporation for $1.47 billion on Feb. 27.

Yellow-Roadway made the move to position the company as a one-stop-shopping freight company that can compete with UPS and FedEx Ground by delivering premium services like overnight and second-day delivery.

That's what the company suits are after. But how will the merger impact the working Teamsters who move the freight?

More than 40,000 freight Teamsters now work for one corporation, but under different company logos: Yellow, Roadway, New Penn, Holland and some at Reddaway and Bestway.

The new trucking giant also employs thousands of additional nonunion drivers and freight handlers who work for Yellow-Roadway's new subsidiaries: Dugan, Reddaway, Bestway and Glen Moore.

Teamster President James Hoffa has been a big booster of the merger, saying it "will not only protect Teamster jobs but create more good Teamster jobs."

That may be true if the new Yellow-Roadway is able to capture more market share and our union is able to protect Teamster standards and job security at the expanded corporation. That all remains to be seen.

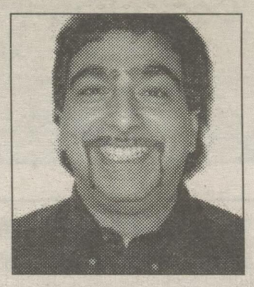
"There's a lot of concern out there among freight Teamsters. We have a lot of unanswered questions about what this is going to mean for us down the road," said Jimmy Rickert, a Roadway driver and South Carolina Local 28 Teamster.

"We can't afford to take a wait and see attitude. By then it may be too late," said Jim Jacob a 27-year USF Redstar Teamster now working at Yellow. "The IBT needs to push for agreements now to protect us from downsizing and promote Teamster job security for the long term."

For more on the freight mega-merger, see page 4.

"I want to build up our union, to organize more members, and to protect our benefits. I believe we can make a difference by getting involved and committing ourselves. That's why I ran for office in Local 805 and that's why I've joined TDU."

Ralph Vomaro, Secretary-Treasurer
Local 805, HLA
New York



JOIN TDU

TDU MEMBERSHIP APPLICATION

Name _____ Local _____

Address _____

City _____ State _____ ZIP _____

Phone _____ Company _____

E-mail _____

❑ City ❑ Road ❑ Dock ❑ Clerical ❑ Warehouse ❑ Construction ❑ Production

Other _____

___ $40 one-year membership & subscription to *Convoy Dispatch*

___ $95 three-year membership fee

___ $25 for spouses, and Teamsters who gross less than $22,000 a year

___ $25 for retirees. Retired from Local _____

❑ Check or money order

Mastercard/Visa # _____ Exp. Date _____

Date _____ Signature _____

Return to: TDU, P.O. Box 10128, Detroit, Mich. 48210

TDU membership is kept confidential. TDU solicits and accepts membership applications and donations only from Teamsters, retired Teamsters and spouses who are not employers. Only funds from Teamster members and their spouses can be used for campaign purposes.

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Letters From Our Members

Hold Leadership Accountable for Pension Crisis

When I first started work as a Teamster, it was 30-and-out at $2,500 per month. I was able to get 11.5 years before the changes in our pension. I will now have to work a lot longer to be eligible for $2,500 per month, and a new 18-year-old worker will be working even longer to achieve the same.

This is a far cry from what we were receiving just a few years ago. Something needs to be done to restore what we had. More legal action and full restoration and reparation are what I have in mind.

Also, the criminals that brought about such drastic changes need to be named and held accountable for their part in the looting of the Central States Pension.

Jonathan Ingle
Local 51, Sara Lee
Taylor, Mich

Hoffa Knew About Pension Problems

What we knew all along has finally come out. Of course Hoffa would not let it be known that members in Central States would have to work much, much longer before their retirement. Look what would have happened to his re-election bid.

I was one of the fortunate few who got to retire after the 1997 UPS contract, thank you Ron Carey. Even with that it still hurts a lot because of the large increase in our medical coverage payments.

It would be more fair for this increase to have been divided between working members also, not just retirees, say $.50-$1.00 per hour. After all, some day the present workers will be retired too. I hope by the next election our members have not forgotten what Hoffa has done to all of us.

Ronnie Mullis
Local 728, UPS Retired
Atlanta

IBT Should Make Things Right, Get Red Star Teamsters Hired at 'Yellow-Roadway-USF'

"Since Red Star closed, it's turned out to be nothing but diddle talk when it comes to straight answers from our union officials. Are they defending our rights as dedicated Teamsters?

Very few jobs have come through, none for office Teamsters so far as I've heard. A union official here in Buffalo told me last November that the signed agreement between USF Holland and the IBT did not have language covering Teamster office workers. Why did they bother sending me the agreement if I wasn't included?

When I asked more questions after that meeting another officer told me that a revision was going to be put through to include us. I asked in January where it was. Guess what? There isn't one!

It's time for Hoffa to make things right and get a real letter of agreement from [Yellow-Roadway CEO] Mr. Zollars to hire all Red Star members at the new "Yellow-Roadway-USF."

Mary Jane Gross
Local 375, former USF Red Star
Buffalo, N.Y.

After 30 Years, Looking for a Job Less Physical

Thanks to TDU for all your hard work in the battle to preserve our pension rights.

I am in my thirtieth year at UPS and it was always my long term plan to do my 30 years and then change jobs to something a lot less physical.

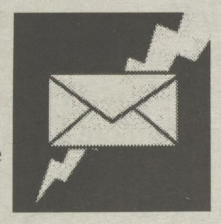
I feel the new age requirements and reemployment rules are wrong.

Michael K. Jones
Local 100, UPS
Cincinnati

Correction

Last month we identified Ron Kaminkow as a Union Pacific employee. He works for Amtrak.

E-Mail Your Letter



We want to hear from you.

Visit our web page at **www.tdu.org** and use the link provided there, or e-mail your letter to **letters@tdu.org**.

How to Contact TDU

We want to hear from you. Contact us at the addresses below for more information about TDU, or to send us articles or letters

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Website: www.tdu.org

NY Office: 104 Montgomery St., Brooklyn, N.Y. 11225. Phone: (718) 287-3283. Fax: (718) 287-3287. E-mail: tdueast@tdu.org

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Larry Macdonald, Atlanta Local 728

Who We Are

CONVOY DISPATCH is the voice of Teamsters for a Democratic Union. We are the united rank and file movement to reform the Teamsters, created out of the merger of PROD and TDU.

We are truck drivers, dock workers, production workers—every kind of Teamster, and spouses, too.

We are a grassroots organization with chapters from coast to coast in the USA and Canada. We believe in returning this union to the membership and we are doing it. We are a democratic organization in which every member has a voice and vote. Our 15-member International Steering Committee was elected in October 2004 for one year. Our Rank & File Convention had 300 representatives present.

We are proud Teamsters standing up for our rights. TDU invites all Teamsters interested in defending our contracts and reforming our union to join us. We do reserve the right to exclude those who are opposed to TDU and its principles.

Rank & File Bill of Rights

I. DEMOCRATIC BYLAWS. All business agents and stewards should be elected. Vacancies in office should be filled by special election within three months. Local union committees should be elected. Contract and strike votes should be by majority (not two-thirds). All contracts should provide for elected officers retaining company seniority.

II. DIRECT ELECTION OF OFFICERS. General President and all International officers should be elected by the membership. International VPs should be elected by regions. No more trusteeships and split-off locals.

III. A FAIR GRIEVANCE PROCEDURE. Innocent until proven guilty, right to remain on the job until final procedure completed. Grievance procedure should include right to a speedy trial, arbitration by peers, and the right to strike if necessary.

IV. PRESERVATION OF WORKING CONDITIONS. The union's purpose is to expand and preserve what we have, not trade it away for less. People come first, not productivity.

V. SAFETY AND HEALTH. We have the right to enter the workplace without fear for our health and leave in the same condition we arrive. Teamsters should have the right, backed by our union, to refuse unsafe work or hazardous conditions. We are not machinery.

VI. EIGHT-HOUR DAY AND FIVE-DAY WEEK. Forced overtime and unfair dispatch rules destroy our family life and cost us jobs. No mandatory overtime, "flexible" work weeks, or 70-hour slavery. We are for the advent of the four-day work week. We work to live, not live to work!

VII. A DECENT PENSION. Every dollar in the pension funds belongs to us. We are entitled to 25-and-out, cost of living on pensions, and union pension trustees elected by the rank and file and retirees to safeguard our money.

VIII. JUST SALARIES FOR OFFICERS. A union officer can't understand the problems of members who make less than half what he or she makes. No officer should make more than the highest paid working members in their jurisdiction. No multiple salaries from union, company, or government sources, or special fringes and pensions. Salary increases limited to the average increase for members, and subject to membership approval.

IX. EQUALITY AMONG TEAMSTERS. Bring all wage levels up to the highest standards, not a lot for the few and little for the many. Fight the hardest for the lowest paid.

X. END TO DISCRIMINATION. Employers have used the differences in age, race and sex to divide us for decades. We oppose these injustices and divisions. Support affirmative action to correct past injustices. Employers should bear the cost of their past discrimination, not the members.

Unite and Conquer: Notes from a UPS Part-Timer

How UPS Teamsters Can Build a Stronger Union

Thoughts from a part-timer…

Every day I walk to the time clock to punch in. On the way, I say "hey" to a handful of loaders, sorters, and a few clerks, but rarely a driver. At my shop, solidarity between UPS drivers and part-timers is the biggest and most overlooked issue. Management deserves credit for dividing us. In response, Teamsters must do an even better job of coming together on the shop floor. We may all work at the same hub, and be covered under the same Master Agreement, but UPS has driven a wedge between part-timers and drivers. That wedge is production standards, understaffing and the company's daily violation of our union contract.

Production Standards Pressure Workers: A Classic Example

Management always tries to get the most work out of the fewest workers. Last week was a classic example. One day the whole supply chain was backed up. The guy I usually load my trailer with was home because of an injury so we were short one. On top of that, the newest package handler was not called in. So we were down two. Of course, that day we were slammed with packages and were 20 minutes late getting the trailer loaded. If the feeder driver is late, he hears about it from the supervisor. These kinds of things happen all the time at my shop, and create a lot of tension between drivers and loaders. What can we do together to confront management and not each other?

Meeting in the parking lot, before or after your shift, is a good way to open up communication between drivers and part-timers. Talk about what it's like to work under these standards and how supervisors often do bargaining unit work instead of hiring more workers or giving current employees more hours. This is a direct violation of our contract and we should fight it.

Full Time Jobs Mean Union Power

Where are the full-time inside jobs required by the last contract? What is the union doing about it? How do full-time inside jobs benefit drivers? If more part-timers become full-time they will be more involved in the union, making it stronger. Many part-timers view their union dues as little more than a tax. In many locals, that is sadly all they are. With delegate and international elections around the corner, it's more important than ever to make this an issue so as to find common ground between UPS' Teamster employees.

Your Grievance Is My Grievance

Imagine if management had to face consequences inside for grievances drivers filed and vice versa. Workers should encourage their stewards to work with each other in filing and presenting grievances—especially when they are about the same issue like supervisors doing bargaining unit work or forcing production standards.

Setting up an informal get-together, even just once a month, will give brothers and sisters a chance to talk about what's bothering them. When a part-timer becomes a driver is a good time to build bridges between the two sets of workers. Stay in contact and have the new driver speak to other part-timers who are interested in driving. Find out if the new driver is having problems or has filed any grievances. Encourage folks to attend local meetings and especially craft meetings at your local dedicated to UPS, if you have them.

Rallying around new job creation and holding the company to what they've promised is a way to both unite the workforce and to improve the quality of our workdays. UPS is a billion dollar company because of the work Teamsters do on the ground every day. But still we hear rumblings about things like the nonunion competition at Fed-Ex and an alternative pension to Central States. If we're going to fight the concessions pushed by the company and sold to us by union officers who are too cozy with management, then we need a strong, member-driven union united across classifications.

UPS & Downs

Washington State Wage and Hours Case Advances

Package car drivers in Washington State are pursuing a wage and hours case against UPS. Recently the court awarded the case, *Watkins et al v. UPS*, class action status. This will make it possible for all drivers in Washington State who are affected by the issue to receive back-pay awards if the case is successful. The court also rejected UPS' attempt to dismiss part of the case on federal preemption grounds (UPS claimed that state law should not apply to it). Washington, California, Illinois and a few other states have superior wage and hour laws that make these lawsuits possible.

Dayton Air Hub to Close-What's Next for UPS Cartage?

When UPS bought out Menlo Worldwide Forwarding (Emery) last year, many Menlo Teamsters breathed a sigh of relief. Many felt that prior owner CNF lost interest after bungling a U.S. Post Office deal and deals for aging aircraft. UPS is folding Menlo into its Supply Chain Solutions unit, but drivers, dockworkers and operations management are being separated and put into UPS Cartage Services.

Recently, management announced plans to close the (nonunion) Menlo Dayton, Ohio air hub in 2006. That work will be moved to Louisville, Ky.

Menlo Teamsters are covered under Local white paper contracts. Still other Menlo drivers are nonunion. This situation remains a great opportunity for the International Union to organize members into the Teamsters, and upgrade those contracts that may be substandard. Or will we continue to let UPS' nonunion divisions grow?

North Carolina Drivers Oppose Pressure to Work Off the Clock

UPS management in Fayetteville, N.C. and some other areas is trying to get package car drivers to go off duty for lunch as soon as they finish their last delivery rather than when they arrive at their lunch break location. This is a violation of the contract and of federal law and should be treated as such. Moreover, it puts drivers at great risk in the event that an accident takes place. Management's response to that possible problem? "Well, we will just say that you were on the clock." Of course, the DIAD doesn't lie and the driver, not management will be at risk in any such situation.

NLRB Ruling May Remove Some Clerks from Union

In January the National Labor Relations Board ruled that some clerks were illegally placed into the union following the 2002 contract. The case stems from complaints filed by clerks in Louisville, Ky. The full impact of the ruling is yet to be seen, but the NLRB decision sheds some light on what it could mean for UPS clerks who are Teamsters.

First of all, clerks who were in the union previous to the 2002 contract are not affected whatsoever. The ruling deals with clerk positions that were brought into the bargaining unit after being kept out of the union in years past. Even then, the decision may not apply to groups if a vote was held or card check used to demonstrate majority support.

Nor does the ruling mean that it was illegal in general to bring the clerks into the union. It takes issue with the union taking in the clerk positions without a card check or vote showing majority support. The classifications affected are international auditors, flexible data capture clerks and origin data capture clerks.

The contract clause bringing in the auditors was highly touted by the Hoffa administration, but the IBT was well aware of a potential legal challenge over the clerks. The NLRB had reached similar decisions in the past. It was only a question of time before a disgruntled or pro-company member filed a complaint.

Now members who have the clerk positions are wondering what will happen to them if the NLRB ruling stands on appeal. While the case is under appeal, which could take some time, neither UPS nor the union has to take any steps to comply with the decision.

Can UPS now cut or change wages or benefits for the members involved? The ruling makes it clear that it does not "authorize or require the withdrawal or elimination of any wage increase or other improved benefits or terms established pursuant to such contract."

Some members took a pay cut to get these more desirable jobs. Will they be made whole for the wages they lost in the new positions? The decision does provide for this.

Will members who transferred into the clerk jobs from other positions be forced to go back to their old jobs? The decision does not order or say anything to this effect. It says that the affected workers be taken out of the union. It also orders that the union pay back dues and initiation fees. How this will play out is not yet known. In a worst-case situation, certain local unions will have to reimburse all such workers their union dues.

Drivers Take on Industry And Government Over Hours of Service Regs

Teamster members joined the IBT and safety groups in sending the Federal Motor Carrier Safety Administration (FMCSA) comments on the proposed hours of service regulations. The deadline for comments ended on March 10.

A review of the comments submitted shows that the trucking industry and management are generally happy with the current rules, while safety groups and Teamsters want changes made. Topping the list of concerns were the need for the 34-hour restart to be eliminated and the 11-hour driving time to be set back to 10.

The FMCSA seems determined to do just what industry wants, despite its own safety mandate and scientific studies showing, for example, that accidents increase after 10 hours behind the wheel.

The issue may end up in court again.

Members Speak Out on Hours of Service

The FMCSA got an earful from Teamster members about the proposed hours of service regulations. Excerpts from some TDU members' comments appear below. You can find the full submissions by Advocates for Safety, Paul Taylor of the Truckers Justice Center, and the IBT at www.tdu.org

"The new rule will not reduce deaths from driver fatigue because it allows drivers to work and drive more, through the 11-hour driving provision and the 34-hour restart provision."

"I would remind you that innocent men, women, and children—your family and my family, my neighbors and your neighbors—are counting on you to do the right thing, i.e. to serve their best interest and not the dictates of the greedy corporate barons who seemed to have guided and directed your July 2004 revisions."

Michael A. Savwoir
Local 41, UPS
Kansas City

"You need time off to rest. Drivers who say they can drive more hours are not telling the truth. Most wrecks happen in the last two hours of driving. My health has gone downhill with the 11-hour rule. I'm 51 and have driven over three million miles in the last 30 years."

Barry Strohl
Local 28, Roadway
Greenville, S.C.

"Do we work to live or live to work? I know from experience, divorce, three kids who don't know me, and other family members who ask who I am, that living to work does not work for a sane life.

"My company exploited the heck out of me because they have no moral values regarding a person's home life when the 34 hour restart was used.

"Leave the continuous log format in place. At least I as a driver can get decent time off (54-72 hours) so I can have some type of a personal life."

Duane Bair
Local 20, Roadway
Toledo, Ohio

"It is the IBT's contention that the language used by the FMCSA in the NPRM makes it clear that this administration has no intention of complying with the court decisions to revise the rules. The FMCSA is instead looking to shift the burden of proof from the administration to those who are opposed to the rule, either in its entirety or in part. The court decision clearly identified the deficiencies in the rule and placed the burden on the FMCSA to revise the rule in order to comply with the statutory requirements governing any regulations that are promulgated."

International Brotherhood of Teamsters

"Congress mandated that this agency promulgate rules that will reduce deaths from driver fatigue. The new rule will not reduce deaths from driver fatigue because it allows drivers to work and drive more, through the 11-hour driving provision and the 34-hour restart provision."

Paul Taylor, attorney, Truckers Justice Center

"In order to accomplish this goal of dramatically increasing the total number of hours truck drivers could be behind the wheel over seven or eight consecutive days, the gency removed the much longer layover time that drivers often used to have under the prior regulation and supplanted it with a "restart" provision, a minimum 34 hours of off-duty time. Despite the fact that no research, including research documented in Advocates' prior submissions of comments to Docket No. FMCSA-1997-2350, showed that drivers could eliminate their fatigue, recover alertness and performance, and appropriately expunge an accumulated sleep debt from an exhausting schedule of work and driving over the preceding several days, the agency nevertheless adopted the 34-hour "restart" provision in the face of a wealth of contrary evidence on the merits."

Advocates for Highway and Auto Safety

Frederick Cooper workers and community supporters rally for better severance pay and community control over redevelopment.

Chicago TDU Activists Battle Company, Union over Severance

Chicago area TDU activists Tony Caldera and Esmeralda Cuevas face the prospect of losing their jobs at Frederick Cooper Lamp, Inc. as the company closes, but they're not going out without a fight. Both were part of a reform slate led by TDU leader Richard Berg that challenged entrenched Teamster officials in Local 743 last fall. Union officials negotiated a severance package that was rejected by the Teamsters at Cooper twice, by margins of 79-10 and 59-27. Local 743 has insisted that this is the best possible offer.

Cooper's owners want to sell the facility so that it can be converted into high priced condominiums. Caldera, the steward, and Cuevas reached out to the surrounding neighborhood for support. They have formed an alliance with the Logan Square Neighborhood Association and raised the demands of a just severance package for Cooper workers and community control over the redevelopment of the property. They have built unity between members and neighbors, many of whose first language is Spanish, Polish or Korean.

This is not the first time Local 743 failed to help members receive a fair settlement. Just last fall, workers at Silver Capital staged a one-day wildcat for a better severance package. Caldera stated, "743 officers continually ignore Latino and Latina workers; hardly any staff are bilingual. Frederick Cooper and Silver Capital prove that [Local 743 President] Walston and Hoffa have no real plan for addressing the loss of Teamster manufacturing jobs."

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Trucking Consolidation—What It Means for Teamsters

Yellow-Roadway Purchase of USF Creates the New Trucking Giant

With Yellow-Roadway's purchase of USF Corporation, 40,000 freight Teamsters now work for one corporation, but under different company logos. Thousands of other drivers and freight handlers work nonunion for Yellow-Roadway's new USF subsidiaries. What does it mean that most freight Teamsters now work for a corporation that has moved up to the big leagues with UPS?

According to Teamster President James Hoffa, it's all good. There is nothing to worry about. His only report to Teamsters so far is that, "The company has provided us with their initial expectations from the merger and we are pleased with the direction of their efforts. We expect that this merger will not only protect Teamster jobs but will create more good Teamster jobs."

We hope so. But life with today's corporations is rarely that easy. When Roadway owned Viking Freight, did they allow it to go union, or fight us tooth and nail? How about when Yellow owned Saia?

We need more from our union leadership than happy-face press releases.

This merger could give us more Teamster bargaining power, but only if we take action to make that happen.

We can't sit back and wait until Yellow guts some of the subsidiaries, or strips one down and then abandons it like CF.

On Feb. 27 Hoffa promised, "We will do everything it takes to protect [the members'] job security and their livelihoods and do our own analysis so that our members' interests are protected." Now is the ideal time to act to get those protections. The International Union must bargain now to secure:

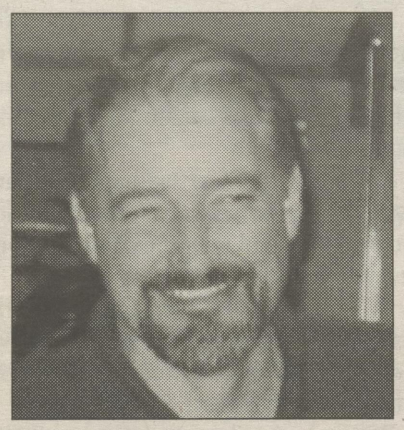
A no-downsizing agreement. The time to head off any move to eliminate or downsize one company, such as Roadway, is now.

A management—neutrality agreement to allow workers at Dugan, Bestway, Glen Moore and the nonunion sections of Reddaway to freely choose if they want to become Teamsters. This is the real test of management's intentions. This organizing would be a great step forward in freight, and help launch further efforts at FedEx Freight, Overnite, etc.

Uniformity of contracts, to improve USF labor contracts to NMFA standards, and not allow any downward slide.

Yellow-Roadway CEO Bill Zollars has said that the company's relationship with our union is "solid" and hinted that the company may work with us in good faith. He needs to be put to the test.

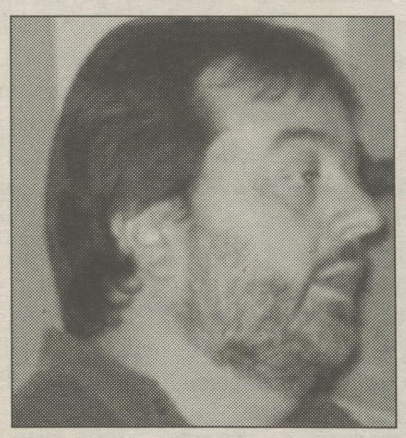
If Zollars is serious about having a "solid" relationship with our union, he should be able to agree to these reasonable proposals. If the IBT can't secure these agreements, that will say more than any press release about the company's intentions and Hoffa's pledge to "do everything it takes" to protect freight Teamsters.



"We can't afford to take a wait and see attitude. By then it may be too late. The IBT needs to push for agreements now to protect us from downsizing and promote Teamster job security for the long term."
Jim Jacob
Local 251, Yellow
Former USF Redstar
Providence, R.I.

"The Yellow buyout of USF makes me even more worried about our contract. We already have a problem with the lax enforcement of the NMFA when it comes to work rules. Too many areas have their own 'local agreements' or 'memos of understanding.' Now all freight Teamsters face the prospect of working under the Holland Rules, or something like them, not too far down the road. I know we need to make a stand on this and the IBT and our local officials need to back us up."

Hector Canales
Local 406, Yellow
Grand Rapids, Mich.



"There's a lot of concern out there among freight Teamsters. We have a lot of unanswered questions about what this is going to mean for us down the road.

"Will the merger bring job security or downsizing?

"Will we unionize the company wall-to-wall? Or will management bulk up the nonunion operations at the expense of the union—like what happened at CF?

"Will we bring everyone up to National Master Freight Agreement standards or is this the end of the NMFA? There's a lot to figure out."

Jimmy Rickert
Local 28, Roadway
Greenville, S.C.

Freight Lines

Premium Service at Yellow

"Premium Service" was initiated by Yellow Freight in February in the Midwest, as the first application of the combination road-city-dock work allowed under the Letter of Understanding the companies got in the last contract. It has begun on a small scale, with one- and two-day guaranteed service.

One issue that has come up is what happens when drivers on the regular road board are given Premium Service assignments.

They are handed a sheet that says "This trailer contains next day/second day deliveries…" and states they must call in if they expect to be 15 minutes late. Drivers are given a deadline, and told not to stop (no breaks) to make it, and possibly forced to take lunch outside the four-to-six hour contract rule. In Detroit a grievance has been filed for a driver in this situation, who is in effect a Premium Service Driver for that run, to get the extra pay (1/2c per mile) under Article 18. Stay tuned.

Roadway Change of Operations

Roadway's proposed change of operations will be heard on April 7. If approved by the union panel, Roadway hopes to implement in June. They plan to close the White Pine, Tenn. relay with a loss of 124 road jobs there, move that terminal to Knoxville, and open a road board in Chattanooga (+48 drivers). A year ago they proposed something similar, but pulled it because of doubts over whether the new hours of service regs would stand. Now a modified proposal is back, with many 11-hour runs that will allow schedules from Cincinnati to Kansas City, Columbus to Memphis, Memphis to Valdosta, Winston-Salem to Meridian, etc. They also propose to establish more sleeper runs. Other locals proposed to lose significant numbers of jobs are Springfield, Mo. (-21); Indianapolis (-20); Rock Island (-17) and Shreveport (-16). Gainers include Stroudsburg, Pa. (+40); St Louis (+33) and Meridian, Miss. (+20). One note: Roadway proposes a window period of zero. This seems grossly unfair; there should always be a long window period so that if the company's calculations prove inadequate, or they offer too few positions to save moving expenses, adjustments can be made.

Hoffa's Attorney Finally Responds to TDU

Hoffa's Top Assistant Now Down for the Count

Carlow Scalf, the discredited executive assistant to James Hoffa, is out. The decision became official in a March 18 letter to Federal Judge Loretta Preska from Bruce Maffeo, Hoffa's attorney. Maffeo was responding to a submission to the court by TDU attorney Barbara Harvey.

Maffeo's letter says that Hoffa has "rescinded Scalf's appointment," and claims that therefore the court need not deal with the issue of his light punishment, raised by TDU. Maffeo also claimed that TDU engaged in "political grandstanding" by calling for a harsher punishment of Scalf.

Earlier this year Scalf was caught embezzling some $69,000 in union funds by taking a monthly special housing bonus for 34 months, when he was not entitled to it. He repaid the funds to try to head off punishment, and then made a deal with the IRB for a 60-day suspension.

TDU urged Judge Preska, in a Jan. 14 submission to the court, to refuse to approve that slap on the wrist and to impose a harsher penalty. Following that submission, Judge Preska declined to approve the 60-day deal, and instead awaited responses from Scalf and Hoffa. Finally, after two months, Hoffa responded to the growing pressure by dumping Scalf.

Until now, Hoffa has remained loyal to Scalf despite a scathing report from Ed Stier, Hoffa's former anti-corruption chief. That report detailed Scalf's role in shielding corrupt Chicago Teamsters from scrutiny. Stier resigned last April over Hoffa's failure to deal with this and other corruption issues; Hoffa's anti-corruption RISE program then collapsed in failure.

A report is expected very soon from the Hoffa administration that will try to discredit Stier and Stier's investigators. This report will be signed by Edward McDonald, an attorney who is close to Bruce Maffeo and to the Hoffa administration.

Leo Deaner, an international rep who has been performing the job during Scalf's suspension, may become executive assistant, amid jockeying by various officials to get the post.

IBT Election Rules Coming Up Soon

The election administrator and rules for the 2006 International union officer election and delegate elections are expected to be announced soon. Getting the administrator and rules in place will signal the start of the Teamsters union campaign period, based on the timeline used in the previous election.

TDU, which fought for the Right to Vote and prepared the plans for its structure, will work diligently to ensure that all Teamsters get a fair, impartially supervised vote on who will lead our union.

Count on TDU for Teamster democracy:

- Making all information on the election rules, timeline and process available to all Teamsters.
- Working to educate Teamsters on the process, and being the watchdog organization to enforce our rights.
- Supporting positive reforms at the 2006 IBT Convention, and supporting reform candidates to give Teamsters a real choice about the direction of our union.
- Working with other Teamster members and leaders of diverse views throughout this process and the campaign.

Contact TDU at (313) 842-2600 or check www.tdu.org for up-to-date information on the election.

'Vote till You Get it Right' in Georgia Local 728

Georgia Local 728 members are pulling together to fend off the most recent attempt by the Hoffa administration to overturn local union election results.

In February Joint Council 75 ordered a rerun of the 728 election. The losing incumbent officers, who supervised and ran the original election, filed the protests the joint council used to order the rerun.

Meanwhile, the winning Members First Slate has been busy working with members to improve representation and overcome the huge backlog of grievances they inherited.

"Members want to see hard work and results," Local 728 President Randy Brown said, "and that is exactly what we are putting in place.

"Members are also angry over the rerun of the election and know that we need to put that behind us to keep strengthening the local."

Ballots in the election will be mailed in late March and counted in late April.

Illegal Layoffs Aimed at Rank and File Reformers

NLRB Backs NYC School Bus Teamsters Again

The National Labor Relations Board has charged a New York City school bus company with illegally laying off hundreds of Teamsters and transferring them to another company owned by the same employer. The complaint is the latest in a series of findings against Consolidated Bus Transit (CBT) for a three-year retaliation campaign against rank and file reformers in Teamsters Local 854.

Just before the start of the school year, Consolidated Bus Transit laid off 340 Teamsters. Later that day, Lonero Bus Transit acquired the school bus routes CBT had dumped; the laid-off Teamsters were transferred to Lonero. Both companies are owned by Joseph Curcio and operate out of the same facilities in the Bronx, using the same equipment.

Local 854 never even filed a grievance over the mass layoff and transfer—even though it cost the union 340 members. The NLRB action will now give the affected Teamsters their day in court.

The transferred Local 854 members collectively lost many hundreds of thousands of dollars in pension contributions because they were not vested in the Local 854 pension plan. These Teamsters also lost vacation benefits, several months of medical coverage, and were dropped to the bottom of the seniority list at Lonero. The Teamsters who remained at CBT plummeted to the bottom of the company seniority list.

Management however reaped financial rewards from their scheme. Under the obscure rules governing New York City school bus bids, the Board of Education pays Lonero more money to perform the same runs that CBT performed.

Since Joseph Curcio owns both Lonero and Consolidated Bus Transit, the Board of Education is effectively paying him more money for violating workers' rights under the National Labor Relations Act.

Curcio's main motivation for the transfer scheme wasn't the extra cash. Many of the transferred workers formed the base of a rank and file movement at the company to beef up contract enforcement and win more effective union representation. In three consecutive votes beginning in 2002, members elected TDU members as their shop stewards over candidates backed by management and Local 854 officials.

TDU filed an NLRB complaint charging that CBT employed this scheme to retaliate against TDU members and other Teamsters for organizing to enforce their rights on the job and in the union. The NLRB agreed and issued a complaint. A hearing is scheduled for May 9.

Don't Miss it!

2005 TDU Convention

St. Louis

Nov. 4-6, 2005

call (313) 842-2600 for more information

Online registration coming soon!

Why Convention Delegate Elections Are a TDU Priority

Delegates Hold Power of Nominations, Reform at 2006 Teamster Convention

In June 2006, Teamster leaders and delegates from every Teamster local will meet in Las Vegas for the IBT Convention.

The last convention was as heavily-scripted as a Vegas lounge act. The majority of delegates blindly cheered for Hoffa and rubber stamped every motion. Hoffa whips told the delegates how to vote by giving the Thumbs Up or the Thumbs Down.

Hoffa called it "Unity" and promised to deliver "Teamster Power." Instead, Hoffa delivered the worst pension cuts in Teamster history, the so-called "Best Contract Ever" at UPS, the closure of CF and USF Redstar, and the biggest dues hike in Teamster history.

Blind loyalty to a failed leadership won't reverse the decline of Teamster power. We need delegates who will speak out for a new direction.

Blind loyalty to a failed leadership won't reverse the decline of Teamster power. We need to elect delegates to the next convention who will challenge the Hoffa administration's failed policies and speak out for a new direction.

Members will have our chance to do just that in late 2005 and early 2006 when every Teamster local will hold an election to choose delegates to the IBT Convention. Concerned Teamsters are gearing up now. Members are meeting across the country to start fielding slates for the delegate elections.

Nominating Challengers to Hoffa

The number one priority of these delegates is to nominate a slate of candidates to take on Hoffa in the 2006 Teamster election. Candidates for IBT office need to receive the support of five percent of the convention delegates to be nominated and eligible to run.

At the 2001 convention, the Hoffa forces tried to take away our right to vote by blocking opposition candidates from being nominated.

"We need to elect delegates to the convention who will give members a choice in the 2006 election. And then we've got to vote Hoffa out!" said Jim Reynolds, a UPS Teamster from New York Local 804.

But reform delegates have another key role to play—to raise issues that Hoffa loyalists won't touch and to push for changes where the Hoffa administration has failed.

Demanding Change

The pension cuts are a key example of a failure that only independent delegates will have the guts to address.

More than 500,000 Teamsters have seen their pension accruals or health coverage slashed in the Central States, Western Conference and in the East. The Hoffa administration has responded to the crisis by passing the buck and attacking members who have spoken out against the cuts.

TDU is coordinating with members across the country to run convention delegate slates to demand real change—including accountability from our pension fund trustees.

"We need delegates at the 2006 IBT Convention who are going to stand up and demand accountability and a Pension Bill of Rights for Teamster Members in the Central States and in other Teamster funds," said Rick Sather, a Star-Tribune driver and Minneapolis Local 638 Teamster.

Concerned delegates also plan to push for a program to put the dues increase to work for the members by dedicating real resources to organizing the unorganized.

"We face a crisis in the freight industry—and slogans won't solve it. Freight Teamsters need to run for convention delegate and demand that our union put real resources into organizing the nonunion competition," said Scott Webber, the newly elected recording secretary of Atlanta Local 728 and a 16-year freight Teamster.

Leveraging Reforms

TDU members are realistic. Reformers have never had the majority of delegates at a Teamster Convention. But history shows that we don't need a majority to win positive changes.

At the 2001 convention we finally got the right to vote for International officers and convention delegates written into the Teamster Constitution and we won the right to vote on mergers.

In 1991, we won increased strike benefits even though reform delegates made up just 15 percent of the delegates. Many other protections Teamster members now enjoy were first proposed as constitutional amendments by reform delegates, including majority rule on contracts, the right to vote on contract supplements and riders, and salary caps for IBT officials.

In each of these cases, reform delegates were able to leverage reforms by being an outspoken minority that spoke up on issues where the majority of working Teamsters agreed with us. Like all politicians in an election year, top Teamster officials want to look good on the issues that members care about.

By bringing the voice of the rank and file into the convention and turning up the heat on key issues, delegates can win positive changes and help set our union on a new course toward rebuilding Teamster Power.

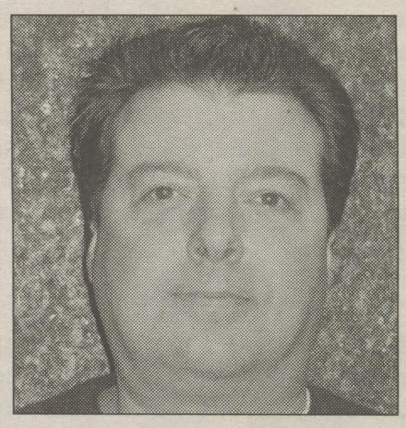
Will next year's convention be another scripted Las Vegas lounge act? Or will Hoffa and his loyalists have to answer for the decline of Teamster power on their watch?

That's up to us to decide. If we want to mount a serious challenge in 2006, we've got to start preparing today. Contact TDU for more information on the delegate races and how to get involved.

"CF. Redstar. The Overnite disaster. The only thing that Hoffa has delivered to freight Teamsters is a dues increase. That money was supposed to go to organizing the unorganized. Hoffa got our nickel an hour, so where's the power?

"We face a crisis in the freight industry and slogans won't solve it. Freight Teamsters need to run for convention delegate and demand that our union put real resources into organizing the nonunion competition."

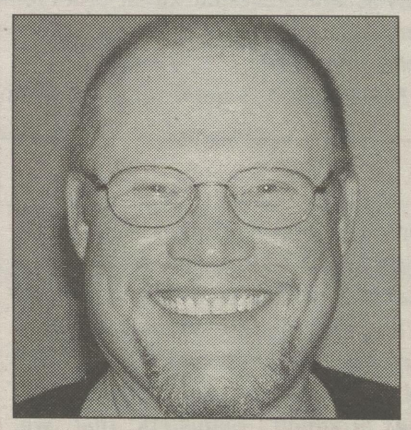
Scott Webber
Local 728 Recording Secretary
Atlanta



"The majority of UPSers—66 percent of us in my local—voted against Hoffa in the last election. Local 804 members have always voted for reform. But our officers ignored the will of the membership and supported Hoffa and his attempt to keep Tom Leedham off the ballot.

"We fought for decades to win the Right to Vote for top Teamster officers. We need to elect delegates to the convention who will give members a choice in the 2006 election. And then we've got to vote Hoffa out!"

Jim Reynolds
Local 804, UPS
New York



"Our trustees at Central States knew the pension fund was in trouble—and they never told the members. Then they cut our benefits without giving us any say.

"There's absolutely no accountability for our trustees on the fund. That has to change.

"We need delegates at the 2006 IBT Convention who are going to stand up and demand accountability and a Pension Bill of Rights for Teamster members in the Central States and in other Teamster funds."

Rick Sather
Local 638, Minneapolis Star-Tribune
Minneapolis

Central States Road Show: Bigger But Not Better

'Perfect Storm' Sequel to the Pension Show Hits Louisville

David Thornsberry
Local 89, UPS
Louisville, Ky.

We knew something was up when we saw the line of Lincoln Continentals in front of the union hall. The new and improved IBT and Central States pension road show had come to town, this time with politicians and film cameras in tow.

It was over one year ago, before the benefits cuts, when the show first hit the road, travelling to local unions to soften up officers and members for the cuts soon to come. Back then, the show was called "The Perfect Storm." It featured an all-star cast, with Thomas Nyhan playing the role of the concerned but sincere fund director, and IBT Vice President and fund trustee Fred Gegare over acting in the part of the neighborhood bully.

A parking lot adorned with Lincoln Continentals was members' clue that Central States and International officials were visiting the Local 89 hall in Louisville.

When rank and file Teamsters butt in and ask real questions, that's when the production gets shaky.

This new production is even bigger, with more IBT officials and more speeches. But it essentially features the same cast and the same script, which is quite amazing given that quite a bit has changed since the show was first rolled out.

Simple Script

The script is brilliantly simple:

- The IBT and Central States are hoping that Congress will turn pro-union and order the companies to put more money into the funds.
- TDU sucks.

One thing is for sure: though, if you stick to one very simple script you can really get it down. The presentation is smooth and tight, though it runs a bit too long at three-plus hours.

Still that doesn't stop members of the audience—rank and file Teamsters—from butting in and asking real questions. That's when the production gets shaky.

In Louisville, members asked how much more money the fund needed to get back on track with benefits. The officials couldn't give an answer to that. I asked Fred Gegare if his other three pensions had also been cut and he claimed that he had only one pension, not four. (Gegare will draw pensions from the Central States plan, and from three officials-only pensions: the Retirement and Family Protection Plan (for International officers and staff), the Affiliates Plan (for local officers and staff), and the Wisconsin Joint Council 39 plan. He can convert one of them at age 57 to a lump sum of over $1 million.)

Denying the Record

Local 89 member Darrell Hall noted from the floor, "You say you did not know, but your own charts show you knew about these problems starting as early as 2000." Despite all the proof to the contrary, they claim that this has just been made up by TDU.

Many members got disgusted and simply left the show.

Kidding aside, it is extremely disturbing to see that neither the IBT nor the fund has learned a thing in the past year. Teamster benefits are on the line. The future of our pension fund, and our union, is in their hands. Yet they refuse to be accountable or to take aggressive steps to restore benefits or strengthen the fund.

I hope Congress lends a hand, but 15 months ago the IBT and a letter from Local 89 President Zuckerman were saying this same thing. Here we are 15 months later stuck with the same cuts with no end in sight.

Zuckerman and the Local 89 organizer and BAs were going around prior to the meeting saying they were going to ask tough questions of the trustees. As usual they were missing in action.

I recall that back when Hoffa announced the new freight contract he crowed about the big hammer we now had. Where is the big hammer now when we need to use it?

Correction:

In our special report on benefit cuts spreading to the Eastern Region (Convoy Dispatch February/March 2005), we mistakenly stated that the New England Teamsters and Trucking Industry Pension Plan had eliminated 25-and-out with some grandfathering provisions. We should have stated that the fund increased contribution rate requirements for Special Service Pensions with grandfathering provisions. The fund also increased the minimum early retirement age requirement for non-Special Service Pensions with grandfathering provisions. This error has been corrected on the TDU website. The principal benefit cuts for New England Teamsters that we reported were accurate—namely the enormous increase in the cost of retiree health care that is pricing many Teamsters out of early retirement.

New York Local 805

Ex-Teamster Official, Employers Face Lawsuit Over Pension Cuts

A former Teamster official who voted to slash members' pensions in exchange for jobs for himself and his wife will have to answer for his actions in court—along with the employers who arranged the deal.

The new union trustees on the benefit fund of New York Local 805 have filed a lawsuit against Gerry Whelan, the former union president that members voted out of office last fall.

During his lame duck period before the new leaders took office, Whelan and the employer trustees voted to slash members' pension accruals to zero.

Local 805 members' pensions will not grow one cent regardless of how many more years they work—until the pension cut is reversed.

Immediately after the vote, Whelan left the room and an "alternate trustee" took his place. The alternate voted with the employers to hire Whelan as the new fund manager at a salary of $65,000, plus $12,000 for expenses.

Later, the board met again and voted to hire Whelan's wife as assistant fund manager. The Whelans' combined salaries are more than $100,000 a year.

Only Sandy Pope, who defeated Whelan in the election, voted to oppose the jobs-for-pension-cut swap.

On Jan. 1, the new Local 805 leadership took office and began to take on the challenge of cleaning up the pension problem they inherited. The new leadership appointed new union trustees to the pension fund—including two rank and file members.

Totally Underhanded

The union trustees alerted the U.S. Department of Labor and filed a lawsuit against the employer trustees and Whelan. They are demanding the annulment of the motions that cut the benefits, the removal of the employer trustees, and the termination of the Whelans from fund employment.

"This was totally underhanded. To freeze members' pensions to get yourself a job is totally unfair. Now Gerry's lying to the members and saying there is no pension freeze. It's disgusting," said Dwayne Jenkins, a Local 805 shop steward who now serves as a trustee on the benefit fund.

"Either they are going to have to settle this and undo the damage or we are going win in court. Either way, we are going to defend the members."

Western Pension Fund Assets Up, Members' Benefits Down

Working Teamsters are paying the price for unneeded pension cuts.

Robust stock market returns have boosted the fortunes of the Western Conference of Teamsters Pension Fund over the last two years. But the same cannot be said for working Teamsters covered by the fund who have lost a chunk out of their retirement because of pension cuts.

Take Dan Kane, a 25-year UPS Teamster. Kane's annual retirement benefit will be reduced by more than $3,500 a year as of July when the pension cuts officially hit their second anniversary. And the clock is still ticking. If the cuts stay in effect another year, Kane's annual pension will be reduced by nearly $5,000. If Kane collects a pension for 25 years, he'll lose $125,000 in benefits.

$2,000 and Climbing

The same figures apply to every UPS Teamster in the fund with more than 20 years. UPS Teamsters with fewer than 20 years are losing more than $1,000 in pension benefits for every year the cuts are in effect. That's $2,000 already—and still climbing. Freight Teamsters are suffering similar losses.

The size of your pension cut depends on the amount of your pension contribution. To calculate your pension cut, call TDU or use the pension-cut calculator at www.nopensioncuts.org on the TDU website.

Many Teamsters have had to delay their retirement.

"I know guys at work who were planning to retire, but have decided they have to stay on for a few more years. I think that's really sad. They've put in their time and it's not right that their retirement has been yanked out from beneath them," said Damon Coleman, a Local 572 Teamster who works at Ralphs in Los Angeles.

Good Times for Western Fund Assets

As bad as the last two years have been for the pensions of working Teamsters, the fund itself has enjoyed good times. Fueled by stock market growth, the fund's assets have hit a record $27 billion.

The trustees justified their January 2003 decision to cut the pension multiplier by pointing to three straight years of bad financial market performance. At the time of the cuts, many Teamsters argued that the cuts were unnecessary. TDU and the Western Teamster Pension Improvement Committee (WESTPIC) opposed the cuts, saying the fund was strong enough to ride out the bumps in the stock market and make up for the losses over time—instead of hitting members with a huge pension cut.

Time has proven WESTPIC was right. The fund's assets are at their highest level ever. Plan assets grew by 16.3 percent in 2003 and by another $2 billion in 2004 to a record $27 billion.

Reversal of Cuts Is Overdue

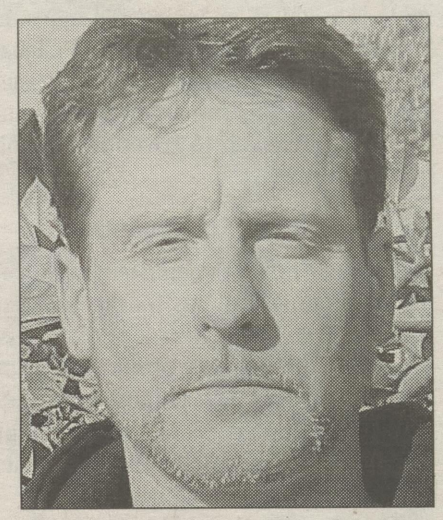
Last January, WCT Pension Fund Trustee Jim Santangelo told Local 630 Teamsters that the cuts would be reversed "when the economy goes up, or in a year." Well more than a year has passed and the fund has made billions in stock market gains—and still the cuts remain. With each passing day, working Teamsters lose more money from their retirement.

Santangelo, who is an IBT vice president and a Hoffa backer, also hinted that the cuts might not be reversed until 2006—just before for the next International election. That's no coincidence.

"They're playing politics with our pension fund, and Teamsters like me are paying the price," Kane said.

"They didn't really need to make these cuts. We don't know when they're going to reverse them. We're in the dark.

"Working in a grocery warehouse is not an easy job. We work in the cold. We've all got aches and pains—and those just get worse as you get older.



"I've worked hard at this job and I've sacrificed a lot physically and in terms of my family life for this company. I expect to get back from my retirement what I've put into this job—which is a lot.

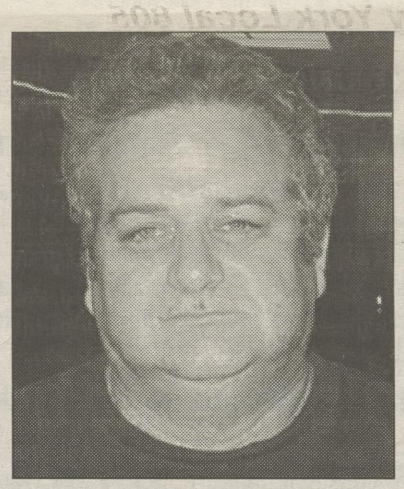
"I want Teamster leadership that will fight just as hard as we've worked all these years. Instead, they're voting with the employers to cut our pensions."

Damon Coleman
Local 572, Ralphs Grocery Co.
Compton, Calif.

"The cuts changed all my retirement dreams.

"I planned to retire at 51 with 30-plus years. Now it looks like I'm going to have keep pounding myself at UPS for several more years.

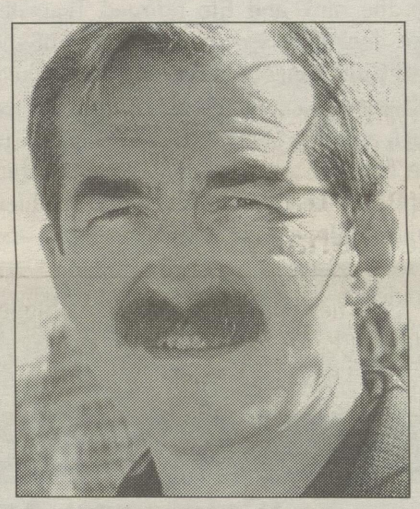
"Those are years I wanted to spend fishing, traveling, and volunteering my time with unions and in the community.



"This fund's been through economic ups and downs in the past without members getting whacked with a cut like this. Our pension is way over 90-percent funded. That's a lot better than other Teamster funds that didn't make cuts.

"There are a lot of rumors that they're going to restore the pension in time for the election next year. They're playing politics with our pension fund, and Teamsters like me are paying the price."

Dan Kane
Local 63, UPS
Los Angeles



Growing numbers of Teamster members are pushing for the fund to reverse the cuts and restore the benefits that members have lost—including **Tom Leedham, secretary-treasurer of Oregon Local 206**.

"Now is the time for the pension trustees to take action to restore the benefit losses members have suffered since the cuts were implemented in July 2003, and to establish pension accrual rates (or multipliers) that maximize benefits for Teamsters who participate in this plan," Leedham wrote in a column for the Joint Council 37 newsletter.

Western Teamsters Pension Cuts at a Glance

- The WCT Pension Fund is run by 28 Trustees—half of them chosen by employers and half by Teamster officials.
- The pension cuts were unanimously supported by our union trustees—including top Hoffa administration officials like Randy Cammack, Al Hobart, Chuck Mack, Jim Santangelo, and Ralph Taurone, who all serve as IBT vice presidents.
- The cuts slashed the multiplier that is used to determine pension benefits by more than half, to its lowest level ever. Under the cuts, the pension multiplier was reduced from 2.92 percent for Teamsters with more than 20 years (or 2.2 percent from Teamsters with fewer than 20 years) to 1.2 percent regardless of your time in the fund.

BLET Faces Fight on Pay

J.D. Howard
BLET Div. 858, Union Pacific
Little Rock, Ark.

Editor's Note: Bargaining is currently underway for the major rail freight carriers in the United States. As Convoy goes to press, talks are at a standstill. Here is the view from one member of the Teamster Rail Conference about a critical issue. Convoy welcomes additional comments as negotiations continue.

I am a 25-year member of the Brotherhood of Locomotive Engineers and Trainmen (BLET), which is a part of the expanding Teamsters Rail Conference. The Engineers were the first railroad union to become affiliated with the Teamsters, and have since been followed by the Brotherhood of Maintenance of Way Employees (BMWE).

Carriers Demand New Pay Structure

While it looks and feels great to build our power base under the Teamster umbrella, and provides impressive photo opportunities, it is much more important for the rank and file railroad Teamster like myself to see the leadership of the Rail Conference step forward and make a difference on issues important to us. Such an issue is now before the BLET in the form of a radical new contract concept. Unlike all previous contracts which paid employees on a mileage basis, the new contract desired by the carriers would be based on a Trip Rate, which would pay a set amount every time a BLET engineer goes on duty. The system the carriers are proposing would pay the same amount to all engineers within a pool, no matter what is involved in that trip (a pool is a group that takes set trips in rotation, for example the South Pool out of Little Rock, Ark. works on runs that head south to Longview, Ark.). Under existing mileage contracts, when more is asked of an engineer in miles, he is paid more. With the proposed change of going to a specified amount for each trip, it is critically important this amount be set high enough to cover all possible trip variations.

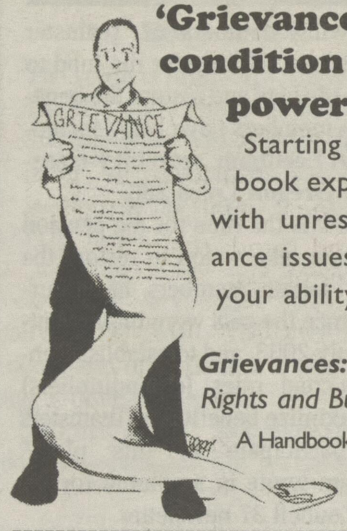
We Need Power, Not Photo Ops

It would be an understatement to say the stakes are enormous for the rank and file BLET member. In fact our financial future and the integrity of our craft is on the line with this new proposed contract. We need the Teamsters to step in with all their power, and make their presence known in this upcoming contract.

The time for handshakes and photo opportunities are behind us now, and it is time for the Teamster rubber to hit the road (rails). The BLET needs the support and help of all other Teamsters, right now.

To get involved, contact the BLET (www.ble.org or 216-241-2630) and urge them to work with the IBT in making any trip agreement a positive change in the lives of our railroad brothers and sisters. True solidarity is one craft helping another and the next radical contract change could be your own.

Available from TDU



'Grievance: Any unjust act, practice or condition which management has the power to correct.'

Starting with this definition, the TDU *Grievance* handbook explains how to write and file grievances. It helps with unresponsive locals and mobilizing around grievance issues. Your rights at work are only as strong as your ability to enforce them!

Grievances: *Using the Grievance Procedure to Defend Our Rights and Build Power on the Job*

A Handbook for Teamsters by the Teamster Rank and File Education and Legal Defense Foundation (TRF)

Send me ___ copies of *Grievances* for $8 each (includes shipping). Total $ _____

Name _____ Local _____

Address _____

City _____ State _____ ZIP _____

Email _____ Employer _____

❑ Check or money order enclosed

Mastercard/Visa # _____ Exp. Date _____

Signature _____

Mail to: TDU, PO Box 10128, Detroit Mich. 48210
For more books or info: (313) 842-2600
www.tdu.org tdu@tdu.org

Members Learn of Union Merger from the Boss

When three California Teamster locals were merged into one, the head of the combined local bragged, "The merger will enable our representatives to enhance their presence at each work site."

So why did the members of Visalia Local 94 only hear about the merger from their boss?

Local 94 members report they got the news when dues started getting deducted from their paychecks to Local 948.Apparently, "enhanced presence" at worksites didn't include providing information to Local 94 Teamsters about the huge change in their union.

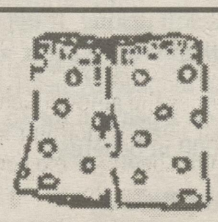
It took more than two months for Secretary-Treasurer James Long to inform members that Local 94 had been merged with Kingsburg Local 746 and Modesto Local 748.

Local 746 and 748 members reportedly got to vote on the merger. Long will head the newly formed Local 948.

Teamster officials report that the new merger will increase members' strength at the bargaining table and organize nonunion employers who are undercutting industry standards. We hope so.

But strengthening Teamster power in these industries will also require building a partnership with the members that includes keeping members informed and giving them a voice in their local.

Labor Shorts



Hoffa Loses Lawsuit Against Ron Carey

On February 11 the U.S. Court of Appeals unanimously dismissed the case filed by the IBT against former Teamster President Ron Carey, seeking to recover the cost of the 1998 International Union election. The case had already been twice dismissed by the lower federal court in New York. Ron Carey stated that he was pleased with the outcome, and that the case was filed solely for political reasons by the Hoffa administration. Hoffa's attorney, Bruce Maffeo, told the *Daily Labor Report* he was "obviously disappointed" with the decision. Teamsters may like to know how much Maffeo was paid in union dues to pursue a hopeless case that was repeatedly dismissed.

Schwarzenegger Aims to Terminate Breaks

California governor Arnold Schwarzenegger is pushing to change state work rules that provide workers with meal and rest breaks. Currently workers must get a half hour meal break after five hours of work. With the backing of employers, the governor released a video to the media claiming the rules are too complicated. Union officials say the proposed changes would allow employers to avoid providing the breaks.

Bill to Allow Intermodal Truckers to Unionize

California state Sen. Joseph Dunn, (D-Garden Grove), has introduced a bill written in consultation with the IBT that would allow independent port truckers to collectively bargain and withhold services at marine terminals. Teamster port representative Jim Stewart predicted that if the bill passes it might have a domino effect in other port areas. Intermodal truckers have struck several times over the last few years, but as owner operators they are currently not permitted to use traditional union methods to organize.

Rail Dispatcher Strike Shows Power of Chokepoints

Two hundred Burlington Northern Santa Fe railroad dispatchers in Fort Worth, Texas walked off the job for almost three hours on March 2. According the union, the company unilaterally changed rules governing paid leave and comp time. Although it's a small union, these members of American Train Dispatchers Association occupy a critical point in the rail system and their walkout tied up commuter rail in the Chicago and Seattle-Tacoma regions.

LA Reformers Sweep Teacher Union Elections

A coalition of reformers in the Los Angeles teachers union swept the top spots in a recent election. Calling for a seven percent pay increase, the new United Teachers Los Angeles officers also said they would take on federal laws, state policies and district practices, including inequalities among schools. Newly elected Vice President Josh Pechtheld told TDU, "The previous leadership negotiated for over 20 months with no contract and no effort to mobilize the membership. Our victory shows that with rank and file organizing, people realize it's possible to make a change."

Public Benefit or Private Profits

Social Security Privatization: Who Wins, Who Loses?

President Bush is out to privatize Social Security. Is Social Security really about to go bankrupt? Who stands to gain—and who stands to lose—from the proposed reforms? As politicians turn up the rhetoric, Convoy Dispatch gives you the facts.

Q. Is the Social Security fund going bankrupt?

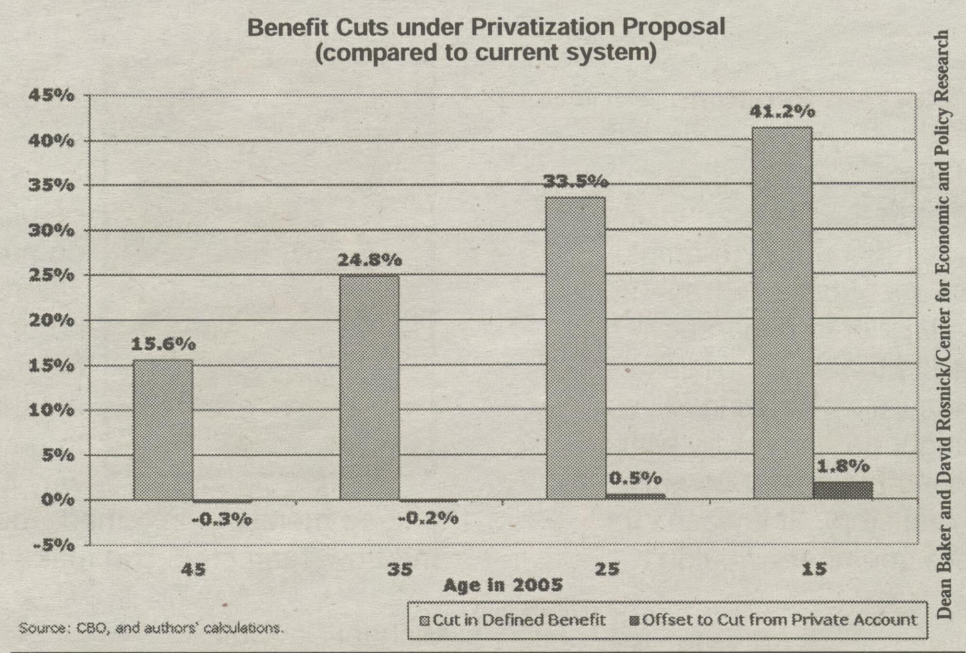
A. Social Security is clearly not going bankrupt and although there is a problem, the system is not about to collapse. According to the Social Security Administration, it has an accumulated surplus of over $1.5 trillion. By 2013, the figure will be over $3.5 trillion, more than four times the amount needed to pay benefits that year. If nothing is changed, payments will begin to exceed revenues in 2018, but current benefit levels could be maintained until 2042, when payments would fall short but still be 73 percent of what would be owed. Projections from the Congressional Budget Office look even better—full benefits could be paid through 2052 and then revenue would cover 80 percent of payments.

Q. How bad is the Social Security shortfall?

A. The projected shortfall for the next 75 years is smaller than shortfalls covered by adjustments in the 1950s, '60s, '70s, and '80s. It is also about one-third the size of the tax cuts enacted during the Bush Administration.

Q. Would private accounts save Social Security?

A. Privatization actually would increase Social Security's funding gap, and would move up the date of shortfall from 2042 to 2031, because money moved into private accounts would be unavailable to pay current benefits. The plan proposed by President Bush would cause an almost immediate cash-flow problem for Social Security.



Q. Would young workers receive a higher rate of return?

A. According to the Congressional Budget Office, the costs of transition to privatization would reduce the rate of return for today's younger workers to a level lower than that provided under the current Social Security system.

Q. If it wouldn't benefit retirees, who would benefit from the president's proposed changes?

Financial services firms could earn over $1 trillion ($1,000 billion!) according to Princeton economist Paul Krugman. This explains why the Security Industry Association is a major supporter of privatization. As a vice president of TowerGroup, a financial research company, says, "Financial firms would be crazy not to look at this as a new business opportunity. It's a huge potential revenue stream over the long term." Bush's proposed accounts would require about ten times the administrative costs of the current system. That would cut into benefits for workers, but line the pockets of investment bankers.

Q. How much does Bush's plan cost?

A. Current estimates are around $2 trillion over the next ten years, a massive addition to the national deficit.

Q. What would it cost to fix the current system?

A. For the next 75 years, it would take about $3.7 trillion to fix the current system, while private accounts will increase the national debt by nearly $5 trillion in the first 20 years of implementation. There are many ways to pay for fixing the current system besides general tax increases. One thing that would help would be to remove the cap on income that is taxed—currently income over $90,000 per year is exempt from Social Security taxes. This proposal has been advanced by various economists and supported by the labor movement.

Q. What is the opposition doing to stop the changes?

A. Many organizations, including the AFL-CIO, AARP, NAACP, NOW, the Alliance for Retired Americans, and disability rights groups, are mounting a major offensive against privatization. Under pressure from the AFL-CIO and others, two major investment firms, Edward Jones and Waddell & Reed, have left the organization that is lobbying for privatization. Other targets include Charles Schwab and Wachovia Corp. The AFL-CIO held a demonstration on Jan. 26 in front of the offices of Charles Schwab in San Francisco and Boston.

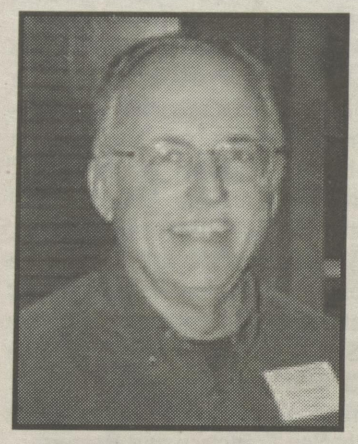
Q. Where can I get more information?

A. There is a lot of material out there, but two good places to start are the Center for Economic Policy Research at http://www.cepr.net/ and the AFL-CIO site at www.wallstreetgreed.org; Or contact your local AFL-CIO Central Labor Council.

How Can We Stop Privatization?

- Contact your Senators Representatives and. Let them know you are opposed to private Social Security accounts.
- Download and circulate the petition against privatization available at www.wallstreetgreed.org.
- Pass motions in your union local against privatization and send them to your elected officials.
- If you have an investment firm, ask them if they are a member of an organization backing privatization.
- Find out how the Security Industry Association serves as a front group for Social Security Privatization.
- Write letters to the editor of your local newspapers. Check their editorial pages or websites for addresses and length restrictions. Write about the issue of Social Security privatization in general or respond to a specific article or commentary in your newspaper.

When Teamster News Breaks...



The Real Story on Pensions

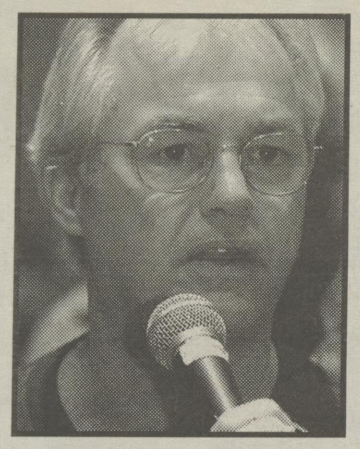
"I'm proud that TDU is holding trustees' feet to the fire on pension issues. Its not just about re-employment rules—its about a betrayal of trust and a lack of transparency. We've learned that Hoffa negotiated the latest contracts knowing full well that cuts might be necessary without more contributions. But while he covered it up, TDU is telling the real story. If it wasn't for TDU getting this information out there, members wouldn't know anything about it."

Bob McNattin
Local 120, Cemstone
St. Paul, Minn.

TDU on HOS: Loud and Clear

"Changes to the Hours of Service regulations will have a big impact on hundreds of thousands of Teamsters. Employers and other corporate interests are doing all they can to get their side of things out there, loud and clear. We have to be doing the same thing. That's why its critical that TDU continues to keep members informed—both with what's happening, and how Teamsters can make a difference."

Michael Savwoir
Local 41, UPS
Kansas City, Mo.



In-depth Information, Not Just PR

"TDU is where you get in-depth information, not just PR, when it comes to Teamsters' rights, and the background information you need to make informed decisions. Where else can you read about of Project RISE's collapse, and the ongoing corruption scandals in high places? Where else will you get all the facts on the Election Rules, and how to enforce them, in the 2006 International Union election? TDU is the source the news you need."

Bill Gibson
Local 96 President
Washington, D.C.

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